



zug : doing business



Kanton Zug

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Updated: July 2009

<b>1</b>	<b>Types of corporation</b>	<b>4</b>	<b>5</b>	<b>Corporate Taxation</b>	<b>18</b>
1.1	Types of business activity in Switzerland	4	5.1	Principles of taxation	18
1.2	The Aktiengesellschaft (AG)	4	5.2	Cantonal and federal taxes	18
1.2.1	Share capital	5	5.3	Income and capital tax	18
1.2.2	The governing bodies of the corporation	5	5.4	Privileged taxation	19
1.2.3	Company name	6	5.4.1	Holding companies	19
1.2.4	Corporate domicile	7	5.4.2	Investment companies	19
1.3	Gesellschaft mit beschränkter Haftung (GmbH)	7	5.4.3	Management companies	20
1.4	Conclusion	7	5.4.4	Mixed companies	20
			5.4.5	Principal companies	21
			5.5	Withholding tax	21
			5.6	Value-added tax	22
			5.7	Double taxation treaties (DTT)	22
			5.8	Tax relief for companies	22
<b>2</b>	<b>Foundation procedure</b>	<b>8</b>	<b>6</b>	<b>More on business conditions</b>	<b>23</b>
2.1	Pre-conditions	8	6.1	Employment law/employment relationships	23
2.2	Inscription procedure	8	6.2	Social insurance law	23
2.3	Foundation costs	8	6.2.1	Social insurances	23
2.4	Time required	9	6.2.2	Costs for the employer	25
			6.2.3	Advice from the Compensation Office Zug	25
<b>3</b>	<b>Management of the corporation</b>	<b>10</b>	6.3	Intellectual property	25
3.1	Management	10	6.4	Quality assurance	26
3.2	Accounting	10	6.5	Legal protection	27
3.3	Operating costs	11	6.6	Mobility/Infrastructure	27
3.4	Financing	11			
<b>4</b>	<b>Regulations on Immigration</b>	<b>12</b>		Index	28
4.1	Citizens of EU/EFTA member states	12		Index of abbreviations	30
4.1.1	Residence and work permits	12			
4.2	Registration and permit application process	13			
4.2.1	Citizens of EU-15/EFTA member states and of Malta und Cyprus	13			
4.2.2	Citizens of EU-8 member states (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia)	14			
4.2.3	Citizens of non-EU/EFTA member states and of Bulgaria and Romania	15			
4.3	Purchase of real estate by non-Swiss citizens	17			
4.3.1	Purchase for residential purposes	17			
4.3.2	Purchase for business purposes	17			

# 1 Types of corporation

## 1.1 Types of business activity in Switzerland

### Aktiengesellschaft and GmbH

There are two types of corporation at the forefront of business activity in Switzerland: the so-called “Aktiengesellschaft (AG)” and the “Gesellschaft mit beschränkter Haftung (GmbH)”. These two kinds of legal entity offer the following advantages:

- Liability and risk limited to capital
- Simplified transferability of participation rights/shares
- Regulated representation rights
- Comparable with foreign legal entities such as the German GmbH, the US “Joint Stock Company”, the English “Limited Liability Company” and the French “Société Anonyme”.

Besides forming an “AG” or a “GmbH”, it is also possible to have a branch of a foreign corporation inscribed in the Commercial Register, or to set up a private company which is not a legal entity in its own right.

### Sole proprietorship

Sole proprietorship is established by a private individual commencing a commercial activity. The founding procedure is fairly easy ([www.kmuadmin.ch](http://www.kmuadmin.ch)). No minimum capital is required. The name of the firm consists at least of the owner’s surname (art. 944 et seq. CO). The owner has unlimited liability, including private assets. Entry in the Commercial Register is compulsory if the turnover exceeds the amount of CHF 100’000.– per year. A sole proprietorship inscribed in the Commercial Register needs to meet the regulatory requirements for mandatory accounting (double-entry accounting). Without registration accounting is limited to recording earnings and expenditures, and retaining receipts (art. 957 CO).

### Contractual relationships

Business relationships can, of course, also be set up on a purely contractual basis, e.g. as that of an agency or sole distributorship. There are numerous ways to structure agreements of that kind under Swiss contractual law, which recognises only a small number of restrictions regulated by compulsory law.

### Cartel Law

Free competition in business is protected by the Swiss Cartel Law. The Swiss Anti-Trust Commission is responsible for applying and enforcing those stipulations ([www.weko.admin.ch](http://www.weko.admin.ch)).

## 1.2 The Aktiengesellschaft (AG)

### Aktiengesellschaft

The AG is a legal entity in its own right with its own name. It is a corporation whose capital is divided into shares. The owners of the shares (the shareholders) exercise their rights at the General Meeting of Shareholders. Actual management of the AG is the exclusive responsibility of the Board of Directors and the executive officers who are appointed by that Board. The text of the Limited Company Law is available under [www.admin.ch/ch/d/sr/c220.html](http://www.admin.ch/ch/d/sr/c220.html) (Art. 620 ff. OR).

### 1.2.1 Share capital

#### Share capital, bearer and registered shares

An AG has to have a share capital of at least CHF 100,000.-. The share capital can be divided into bearer and/or registered shares. The nominal value of those shares must be at least CHF 0.01. When establishing the corporation, each share must be paid up to at least 20% of its nominal value, but the total paid-up share capital must amount to at least CHF 50,000.-.

#### Participation certificates

A part of the share capital can also be issued in the form of so-called participation certificates. Essentially, these are shares without voting rights.

To form an AG one or more private individuals or legal entities are required. If the shareholders are private individuals, it is irrelevant from the point of view of Swiss corporate law whether they are Swiss nationals or foreigners. On the other hand, a new formation can become somewhat more complicated if one or more of the founding shareholders are foreign companies. It is therefore advisable either to authorize private individuals by proxy to set up the company or – after incorporation by private individuals – to transfer the shares to a foreign company.

### 1.2.2 The governing bodies of the corporation

The AG has three governing bodies: the General Meeting of Shareholders, the Board of Directors and the auditors.

#### General meeting of shareholders

The General Meeting of Shareholders is the supreme governing body of the corporation and is in particular empowered to set forth and amend the Articles of Association, approve the annual accounts and the consolidated financial statements, if any, resolve on the distribution of profit and grant discharge to the company's directors. The General Meeting of Shareholders elects the Board of Directors and the auditors.

The General Meeting of Shareholders has to be convened at least once per annum (within six months of the financial year-end). Extraordinary general meetings can be called at any time by the Board of Directors, by shareholders who represent at least 10% of the share capital, or by the auditors.

#### Board of Directors

The Board of Directors is the management body of the AG. The law confers it with untransferable and inalienable duties (e.g. overall management of the company, definition of the management structure, control of employees entrusted with management functions, preparation of the annual report, etc.). If it so wishes, the board can, by means of internal organisational regulations and based on corresponding articles of association nominate individual members (delegates) or third parties (managers, authorized clerks) to carry out those functions of management which can be delegated.

The Board of Directors consists of one or more members. There is no requirement for a board member to be a shareholder. The corporation must be capable of acting in Switzerland and therefore be represented by a person residing in Switzerland with sole signatory power. This person can be a member of the board or a managing Director.

**Auditors** The responsibility of the auditors is to ascertain whether the accounts and the annual financial statements and the consolidated financial statements, if any, as well as the recommendation to the General Meeting of Shareholders with regard to the distribution of the profit in the balance sheet, conform with the law and the Article of Association.

An ordinary audit is required if the corporation exceeds two of the following variables within two consecutive fiscal years: balance sheet total of 10 million Swiss francs, a turnover of 20 million Swiss francs, a yearly average of 50 full time positions. In case the preconditions for an ordinary audit are not fulfilled a limited audit is required. The limited audit is less extensive and profound (“review”). With the consent of all shareholders a company with less than ten full-time positions upon which a limited audit would be applicable may abstain from an audit. The audit firm needs to be registered with the Federal Supervisory Authority of Audit Firms in Bern ([www.revisionsaufsichtsbehoerde.ch](http://www.revisionsaufsichtsbehoerde.ch)).

**Further information on accounting and auditors:** Fiduciary Association of Zug (ZTV)  
 Andreas Schaufelberger  
 Dorfstrasse 38  
 CH-6340 Baar  
 Telephone +41(0) 41 769 79 69  
 Fax +41(0)41 769 79 89  
 E-Mail [info@ztv-zug.ch](mailto:info@ztv-zug.ch)  
 Internet [www.ztv-zug.ch](http://www.ztv-zug.ch)

### 1.2.3 Company name

**Choice of company name** In principle, the name of the company can be freely chosen. The name must clearly differ from any other company name which already exists. It may not cause deception or conflict with any public interests. The name can be a fantasy name or a business description. The addition “AG” must be added to all company names of corporations, even if they are fantasy names. Mere descriptive names are not suitable to individualize a legal entity, because they lack of distinctiveness. Combinations of descriptive names or descriptions with fantasy character or with fancy elements are allowed.

With respect to the distinctiveness of a company name which mainly consist of business descriptions it should be borne in mind that there is only a limited protection against similar names, because the business description itself cannot be monopolized.

It is advisable to check the intended name with the Cantonal Commercial Registry ([www.zug.ch/hra](http://www.zug.ch/hra)) before forming the company. The names of every company already inscribed can be called up on the website of the Federal Commercial Registry ([www.zefix.admin.ch](http://www.zefix.admin.ch)). More detailed information on companies which are already inscribed in the Commercial Register can be accessed online at [www.teledata.ch](http://www.teledata.ch) (subject to charges) or at the particular Cantonal Commercial registries (without being charged).

In most cases, it is advisable to protect not only the registration of the company name but also any relevant brands/trademarks and the domain name. Responsible for the protection of brands and trademarks is the Federal Institute for Intellectual Property ([www.ige.ch](http://www.ige.ch)). More details with regard to domain names can be found under “Intellectual property” (6.3).

#### 1.2.4 Corporate domicile

##### Domicile and its relevance

The company's domicile can be chosen anywhere within Switzerland. If the statutory domicile is not the same as the place at which the company is actually managed, this could be of importance with regard to taxation. As a rule, liability for tax exists at the place at which the company is actually managed and not at the domicile shown in its registration documents.

### 1.3 Gesellschaft mit beschränkter Haftung (GmbH)

##### GmbH

Like the AG, the GmbH is a legal entity in its own right. Since the GmbH is very similar to the AG, reference can be made to the comments with regard to the name, the domicile and the Articles of Association. As of January 1, 2008 the formation of a GmbH requires only one person (private individual or legal entity.) The GmbH must be represented by a person residing in Switzerland. This person can be a member of the Board or a Managing Director. The equity share capital, which is at least CHF 20,000.00, has to be fully paid in. Since January 1, 2008 there is no cap on equity share capital. The nominal value per share is at least CHF 100.00. In case of a recapitalization the nominal value can be reduced to CHF 1.00. Members of a GmbH may hold several shares of the capital.

Analogous to the AG, the GmbH may have three governing bodies: the General Meeting of Partners, the Management and (though not obligatory) the auditors.

According to the revised accounting law (January 1, 2008) the GmbH is subject to an ordinary audit. There are exceptions in relation to the size of the company. An ordinary audit is required if the corporation exceeds two of the following variables within two consecutive fiscal years:

- balance sheet total of CHF 10 million
- turnover of CHF 20 million
- yearly average of 50 fulltime positions
- in case the preconditions for an ordinary audit are not fulfilled a limited audit is required. The limited audit is less extensive and profound. With the consent of all shareholders a GmbH with less than ten fulltime positions may abstain from an audit.

### 1.4 Conclusion

A glance at the statistics shows that the AG is by far the more popular type of corporation (Canton Zug 1.1.2007: 16,266 AG and 5,933 GmbH). There are various reasons for this.

It is often said that the AG's higher capital base makes it more creditworthy and that the GmbH is unsuitable for larger corporations because of the limitations in the transferability of its shares.

The advantages of the GmbH are the lower capital requirement, the possibility to incorporate further duties into the Articles of Association, and the principle that the management consists of the members of the GmbH.

Because of its corporately structured form (it is a legal entity in its own right); the GmbH is also suitable for later conversion into an AG.

## 2 Foundation procedure

### 2.1 Pre-conditions

**Public notarization**  
Foundation document,  
confirmations,  
payment of capital

An AG or a GmbH can be set up quickly and easily. The foundation document has to be publicly notarized by an authorized notary (a lawyer with a licence to act as a public notary).  
When foundation takes place, the following documents must be submitted to the notary:  
(1) Articles of Association, (2) Declaration of mandate acceptance by the auditors (optional, unless an audit is required), (3) Confirmation of a recognized deposition agent (a bank) that the share capital or foundation capital has been paid in and is at the free disposal of the corporation, (4) Domicile acceptance statement in cases in which the corporation does not have its own offices after foundation.

### 2.2 Inscription procedure

**Commercial register**  
Application

After foundation, the corporation must apply for inscription in the Commercial Register ([www.hrzg.ch](http://www.hrzg.ch)). This application must be accompanied by the foundation document, together with the other documents mentioned above.  
It is important to note that during the inscription procedure, the share capital which has been lodged with the deposition agent (a bank) remains blocked. The inscription procedure ends when the corporation is formally registered in the Commercial Register. The paid-in capital will, however, continue to be blocked by the deposition agent until that bank receives an extract from the Commercial Register, proving that the new corporation has been duly inscribed. Capital deposit accounts are provided by all the banks (e.g. [www.zugerkb.ch](http://www.zugerkb.ch), [www.credit-suisse.ch](http://www.credit-suisse.ch), [www.ubs.ch](http://www.ubs.ch)).

### 2.3 Foundation costs

**Foundation costs AG / GmbH**

The following costs, purely for foundation, are likely to arise when forming a new AG with a share capital of CHF 100,000.-:

Notary's fees	2% of share capital (min. CHF 500.-)
Inscription fees – Commercial Register	approx. CHF 800.-
Advisory fees (depending on requirements)	approx. CHF 4,000.- to 7,000.-
Federal stamp duty (1%)	the first CHF 1,000,000.- of capital are free of stamp duty
Other costs (general expenses)	individual by needs

The foundation costs for an AG and a GmbH are approximately the same.

## 2.4 Time required

**AG and GmbH** The following plan serves to give an approximation of the time required in order to form a new corporation:

Clarification – acceptability of company name	1 to 5 days
Preparation of foundation documents with annexes (foundation document, Articles of Association, application to Commercial Registry, etc.)	1 to 5 days
Clarification of domicile and auditors	
Paying in of capital	
Meeting of founding shareholders/members	less than 1/2 day
Inscription in Commercial Register	3 to 7 days

**Further information:**

**Zug Attorney's Association**

Werner Goldmann

Dorfstrasse 16

6341 Baar

Telephone +41 41 767 46 46

Fax +41 41 767 46 25

E-Mail [info@advokaten-zug.ch](mailto:info@advokaten-zug.ch)

Internet [www.advokaten-zug.ch](http://www.advokaten-zug.ch)

## 3 Management of the corporation

### 3.1 Management

#### Board of Directors Management regulations, signatory powers

The management of a corporation is usually handled by the Board of Directors itself and the managers appointed by that Board. In order to limit personal liability, the responsibilities and authorities should be clearly set forth in a set of *internal organisational regulations*. Those people authorized to sign on behalf of the corporation must be entered in the Commercial Register.

When appointing members of management, it is important to note that it may well be necessary to obtain work permits for non-Swiss people (please refer to Chapter 4).

Management (i.e. the Board of Directors) must prepare an *annual report* which, in particular, provides information with regard to the progress of the business, the economic and financial situation and any increases in capital which may have taken place.

At least *once a year, an Annual General Meeting of Shareholders* must be held. This is called by the Board of Directors.

### 3.2 Accounting

#### Principles, hidden reserves

The law prescribes a certain minimum structure for the balance sheet and the income statement. When preparing them both, it is important to comply with the principles of orderly presentation of accounts (completeness, clarity, materiality, prudence, continuity, etc.). The company's position in terms of assets and profitability should "be able to be assessed with as much reliability as possible". But that does not mean that even a transparent set of accounts complies with the "true and fair view" principle because the valuation regulations anchored in law permit the building of so-called hidden reserves.

#### Consolidated financial statements

Holding companies which, by means of majority voting rights or in some other way, exercise control over one or more other companies and which, in addition, meet two of the following criteria – total assets of more than CHF 10 million, turnover of more than CHF 20 million or more than 200 employees – are obliged to prepare consolidated financial statements each year.

There are no particular consolidation or valuation rules foreseen by law apart from the general principles of orderly presentation of accounts. In order to meet international requirements, it is, however, permissible and, in fact, very common, for companies to use other standard, such as "International Accounting Standards (IAS)", the U.S. Generally Accepted Accounting Principles (U.S. GAAP) or comparable guidelines lay down within the European Union.

### 3.3 Operating costs

The following table shows the ongoing annual operating costs of a corporation in Switzerland and serves simply as a model:

Type of cost	Estimate
Personnel costs (incl. social security premiums)	dependent on number and type of staff
Rental costs for business premises	per m <sup>2</sup> /p.a. CHF 150.- to 450.- <sup>[1]</sup>
Fees for external members of the Board of Directors, where applicable	From CHF 4,000.- (incl. approx. 10% social security premiums and professional liability insurance)
External bookkeeping/accounting, charged on a fee per hour	min. CHF 2,000.-
Audit (charged by time expended)	min. CHF 1,000.- to 5,000.-
Domiciliation fees for pure domicile companies	approx CHF 1,000.-
Insurance coverage (voluntary third-party liability insurance, mandatory accident and sickness insurance, mandatory pension fund, etc.) <sup>[2]</sup>	dependent on extent of insurance coverage and number of staff
Other costs (postage, telecommunications, water, electricity, general expenses)	

<sup>[1]</sup> Average CHF 250.-

<sup>[2]</sup> Please refer to Chapter 6

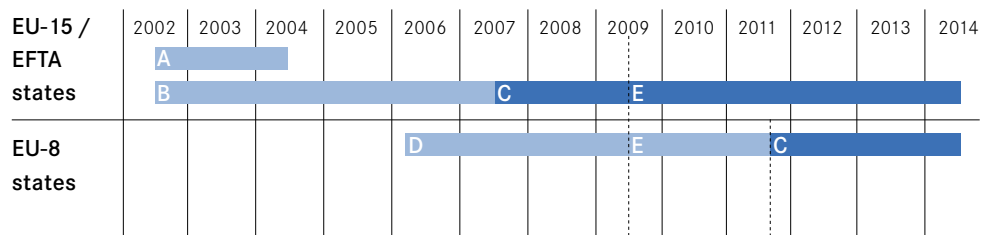
### 3.4 Financing

The banks are available as primary financing partners (e.g. [www.zugerkb.ch](http://www.zugerkb.ch), [www.credit-suisse.ch](http://www.credit-suisse.ch), [www.ubs.ch](http://www.ubs.ch)). Information on other financing possibilities – particularly with regard to venture capital – can be found under [www.seca.ch](http://www.seca.ch).

## 4 Regulations on Immigration

### 4.1 Citizens of EU/EFTA member states

#### Transition period regarding free movement of persons



#### Implementation regarding nationals from the original EU-15/EFTA states

- A: Priority given to domestic employees; review of salary level and working conditions
- B: Quota system until May 31, 2007
- C: Protection clause in case of excessive increase in immigration until 2014
- E: Facultative referendum on continuation of agreement on free movement of persons

#### Implementation regarding nationals from the new EU-8 states

- D: Priority given to domestic employees; review of salary level and working conditions; Quota system until 2011
- E: Facultative referendum on continuation of agreement on free movement of persons
- C: Protection clause in case of excessive increase in immigration until 2014

Source: Integration Office EDA/EVD, bilateral agreements II Switzerland – EU

#### 4.1.1 Residence and work permits

##### Immigration

Since the establishment of the Bilateral Agreements between the European Union (EU) and Switzerland – the agreements also apply to the European Free Trade Association (EFTA) – citizens of the original EU-15/EFTA member states have been entitled to work in Switzerland on equal, non-discriminatory terms. The agreement on free movement of persons is enforced at a cantonal level. Each cantonal Office for Migration approves residence and work permit applications based on the submission of a signed working contract with a company in Switzerland. In case of an excessive increase in immigration, Switzerland reserves the right to reinstate a quota system.

On May 1, 2004, the European Union extended membership to additional European states (EU-8). The Bilateral Agreements between Switzerland and the EU were extended to these new member states. However, with respect to these countries and free movement of persons, a quota system still remains in force: Up to April 30, 2011, Switzerland continues to provide priority to its domestic employees and carefully reviews working conditions and salary levels of EU-8 nationals who are being permitted to work in Switzerland.

On January 1, 2007, also Bulgaria and Romania joined the EU. However, a decision on the terms of free movement of persons with respect to these two countries will be reached in 2009. Nationals from Bulgaria and Romania are still subject to the rules and regulations which non-EU/EFTA nationals face as far as immigration to Switzerland is concerned.

Further information on immigration to Switzerland can be found on the website of the Swiss Federal Office for Migration [www.bfm.admin.ch](http://www.bfm.admin.ch). Details on the permit application process in the canton of Zug and corresponding application forms can be obtained under [www.zug.ch/afm](http://www.zug.ch/afm) or by contacting one of the below listed offices.

## 4.2 Registration and permit application process

### 4.2.1 Citizens of EU-15/EFTA member states and of Malta und Cyprus

**Up to 3 months/  
90 days**

#### **Registration for up to three months / 90 days of work per calendar year**

Citizens of EU-15/EFTA member states and of Malta und Cyprus are no longer required to register with the authorities if they work for less than three months / 90 days per calendar year for a company in Switzerland.

Self-employed service providers and persons who are being sent from a company based in an EU-15/EFTA country are not required to obtain a work permit as long as their stay lasts for no more than three months / 90 days per calendar year. However, as soon as they work for more than 8 days per calendar year they must register online with the Swiss authorities.

*Exception:* Any work activity in the areas of the construction industry, hotel and restaurant business, cleaning industry, security and surveillance services, as well as erotic business must be *registered online as per the first day of work*. The same rule applies to commercial travelers. The online registration platform can be found under [www.bfm.admin.ch](http://www.bfm.admin.ch). This process is free of charge. Registrations by e-mail or fax cannot be accepted.

**Beyond 3 months/  
90 days**

#### **Permit application process for longer than three months / more than 90 days of work per calendar year**

Self-employed service providers and persons who are being sent to Switzerland from a company based in an EU-15/EFTA member state are required to obtain a permit if their work exceeds the duration of three months / 90 days per calendar year. A permit application form (D1) must be submitted to the cantonal authority. Persons who are sent on an intra-company transfer must submit the A form prior to their start of work.

EU-15/EFTA citizens and nationals from Malta or Cyprus who are being employed by a company in Switzerland are required to submit a permit application form as follows:

- K1 form: short term EU/EFTA permit application for up to 4 months or 120 sporadic days per year
- A form: short term EU/EFTA permit application for up to one year based on a limited employment contract
- A form: long term EU/EFTA permit application for 5 years based on an unlimited employment contract

EU-15/EFTA persons who start working on a self-employed status in Switzerland must submit the SE1 permit application form together with a business plan and proof of adequate financial means.

**Permanent residence permit**

A permanent residence permit can be issued after 5 years of uninterrupted residency in Switzerland. This permit is for an unlimited period of time and not bound to any restrictions.

**Address for further information****Amt für Migration (Office for Migration)**

Aabachstrasse 1  
6301 Zug  
Telephone +41 41 728 50 50  
Fax +41 41 728 50 69  
E-Mail info.afm@sd.zg.ch  
Internet www.zug.ch/afm

**4.2.2 Citizens of EU-8 member states (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia)****Up to 3 months/  
90 days****Registration for up to three months / 90 days of work per calendar year**

EU-8 self-employed service providers and persons who are being sent from a company based in an EU-8 country are not required to obtain a work permit as long as their stay lasts for no more than three months / 90 days per calendar year. However, as soon as their work lasts for more than 8 days per calendar year they must register online with the Swiss authorities. The online registration platform can be found under [www.bfm.admin.ch](http://www.bfm.admin.ch). This process is free of charge. Registrations by e-mail or fax cannot be accepted.

*Exception:* Any work activity in the areas of the construction industry, hotel and restaurant business, cleaning industry, security and surveillance services, as well as erotic business requires a work permit prior to the first day of work. The same rule applies to commercial travelers. In order to obtain a work permit, an application form (K8 / B8) needs to be submitted to the cantonal authority as outlined in the section below.

EU-8 nationals who are being employed by a company in Switzerland for less than months or 90 working days per calendar year are required to obtain a work permit prior to starting their job in Switzerland (please see section below).

**Beyond 3 months/  
90 days****Permit application process for longer than three months / more than 90 days of work per calendar year**

EU-8 self-employed service providers and persons who are being sent to Switzerland from a company based in an EU-8 country are required to apply for a permit if their work exceeds the duration of three months / 90 days per calendar year. A permit application form (D1) must be submitted to the cantonal authority who then reviews the priority of domestic employees, salary level and working conditions.

EU-8 nationals who are being employed by a company in Switzerland – regardless of duration – are required to obtain a work permit prior to starting their job in Switzerland. The company must submit a residence and work permit application form as follows:

- K8 form: short term EU/EFTA permit application for up to 4 months or 120 sporadic days per year
- B8 form: short term EU/EFTA permit application for up to one year based on a limited employment contract
- B8 form: long term EU/EFTA permit application for 5 years based on an unlimited employment contract

Again, the priority of domestic employees, salary level and working conditions are reviewed by the authorities.

EU-8 nationals who wish to receive a residence and work permit based on self-employment in Switzerland must submit the following documents depending on the form of company: The SE1 permit application form in case of a one-man-business or the B8 permit application form in case of a GmbH or AG. Either one needs to be handed in together with a business plan and proof of adequate financial means.

#### **Permanent residence permit**

A permanent residence permit can be issued after 10 years of uninterrupted residency in Switzerland. This permit is for an unlimited period of time and not bound to any restrictions.

#### **Address for further information**

#### **Amt für Wirtschaft und Arbeit (Office for Economy and Labor)**

Aabachstrasse 5  
6301 Zug  
Telephone +41 41 728 55 20  
Fax +41 41 728 55 29  
E-Mail info.awa@vd.zg.ch  
Internet www.zug.ch/awa

#### **4.2.3 Citizens of non-EU/EFTA member states and of Bulgaria and Romania**

Since the implementation of the Bilateral Agreements between Switzerland and the European Union nationals of the EU/EFTA countries are given priority over non-EU/EFTA nationals as far as immigration to Switzerland is concerned. The number of non-EU/EFTA immigrants is limited by a strict quota system. Swiss federal law (AuG) and regulations (VZAE) set the criteria based on which non-EU/EFTA nationals qualify for a Swiss residence and work permit.

#### **Up to 3 months/ 90 days**

#### **Registration for up to three months / 90 days of work per calendar year**

For non-EU/EFTA service providers residing outside the EU/EFTA and persons who are being sent from a company based in a non-EU/EFTA country there is no online registration process possible for work up to three months / 90 days per calendar year in Switzerland. A work permit application form (K2) must be submitted as outlined in the section below.

The K2 form also needs to be submitted if a Swiss based company wishes to employ a non-EU/EFTA specialist for services / project work up to three months / 90 days per calendar year (see section below).

However, non-EU/EFTA self-employed service providers with residence in the EU/EFTA and non-EU/EFTA persons who are being sent from a company based in the EU/EFTA and whose work status has been registered for at least 12 months in an EU/EFTA country may work in Switzerland through online registration as long as their stay lasts for no more than three months / 90 days per calendar year. The online registration platform can be found under [www.bfm.admin.ch](http://www.bfm.admin.ch). This process is free of charge. Registrations by e-mail or fax cannot be accepted.

*Exception:* Any work activity in the areas of the construction industry, hotel and restaurant business, cleaning industry, security and surveillance services, as well as erotic business requires a permit prior to the first day of work. The same rule applies to commercial travelers. In order to obtain a work permit, an application form (K2) needs to be submitted to the cantonal authority as outlined in the section below.

**Beyond 3 months/  
90 days**

**Permit application process for longer than three months / more than 90 days of work per calendar year**

Non-EU/EFTA nationals who are being employed by a company in Switzerland are required to obtain a work permit prior to starting their job in Switzerland. The company must submit a residence and work permit application form as follows:

- K2 form: short term permit application for up to 4 months or 120 sporadic days per year
- B2 form: short term permit application for up to one year based on a limited employment contract
- B2 form: long term permit application for 5 years based on an unlimited employment contract

Priority of domestic and EU/EFTA employees, high qualification, working conditions, job and salary levels are reviewed by the authorities.

For non-EU/EFTA service providers residing outside the EU/EFTA and persons who are being sent from a company based in a non-EU/EFTA country a work permit application form (K2 / B2) is required prior to their first day of work. Priority of domestic and EU/EFTA employees, high qualification, working conditions, job and salary levels are reviewed by the authorities.

Non-EU/EFTA self-employed service providers with residence in the EU/EFTA and non-EU/EFTA persons who are being sent from a EU/EFTA company and whose work status has been registered for at least 12 months in an EU/EFTA country are required to apply for a permit if their work exceeds the duration of three months / 90 days per calendar year. A permit application form (K2 / B2) must be submitted to the cantonal authority who then reviews the priority of domestic employees, salary level and working conditions.

Non-EU/EFTA nationals who wish to work on a self-employment status in Switzerland are only issued a residence and work permit on exceptional basis. A letter of proposal together with a business plan and proof of adequate financial means (or employment contract) may be sent to the office listed below.

**Permanent residence permit**

A permanent residence permit can be issued after 10 years of uninterrupted residency in Switzerland. This permit is for an unlimited period of time and not bound to any restrictions.

**Address for  
further information**

**Amt für Wirtschaft und Arbeit (Office for Economy and Labor)**

Aabachstrasse 5  
6301 Zug  
Telephone +41 41 728 55 20  
Fax +41 41 728 55 29  
E-Mail [info.awa@vd.zg.ch](mailto:info.awa@vd.zg.ch)  
Internet [www.zug.ch/awa](http://www.zug.ch/awa)

## 4.3 Purchase of real estate by non-Swiss citizens

The purchase of real estate in the Canton of Zug is possible largely without restrictions and permits. There are no restrictions for the purchase of real estate by Swiss-controlled companies. (An overview of the real estate currently being offered is available under: [www.zug.ch/economy](http://www.zug.ch/economy) or [www.immozug.ch](http://www.immozug.ch))

### 4.3.1 Purchase for residential purposes

Citizens of the 15 “old” EU member states and the EFTA states with their main place of residence in Switzerland can purchase real estate of any kind in the same way as Swiss citizens. They do not need an additional permit. For foreigners with their place of residence abroad and for foreigners who live in Switzerland but are neither EU nor EFTA citizens and who do not possess a valid permanent residence permit, real estate of up to 3,000 m<sup>2</sup> can be purchased without a permit if it serves as self-used residential property (main place of residence) if the purchaser has the right to stay in Switzerland without time limits. For real estate of more than 3,000 m<sup>2</sup> land area, the purchase can only be made without a permit if so decided by the Department of Economic Affairs.

### 4.3.2 Purchase for business purposes

No permit is required if real estate is purchased for business purposes (including reserve areas), even if the real estate is not used by the purchaser but is rented or leased out to a third party. That also applies if purchases are made by foreign-controlled companies. Consultation with the Cantonal Economic Department is nevertheless recommended.

The Canton of Zug has a large range of industrial, small business and office premises which conform with the most modern demands of building technology, communication, etc.

#### Address for further information:

#### Volkswirtschaftsdirektion des Kantons Zug

Aabachstrasse 5  
 CH-6301 Zug  
 Telephone +41 41 728 55 06 (lic. iur. Peter Müllhaupt)  
 +41 41 728 55 02 (Dr. Gianni Bomio)  
 +41 41 728 56 01 (Dr. Meinrad Huser)  
 Fax +41 41 728 55 09  
 E-Mail [info.vds@vd.zg.ch](mailto:info.vds@vd.zg.ch)  
 Internet [www.zug.ch/volkswirtschaft](http://www.zug.ch/volkswirtschaft)

#### Information on available business premises and industrial land:

#### Kontaktstelle Wirtschaft

Aabachstrasse 5  
 CH-6301 Zug  
 Telephone +41 41 728 55 18  
 Fax +41 41 728 55 09  
 E-Mail [economy@zug.ch](mailto:economy@zug.ch)  
 Internet [www.zug.ch/economy](http://www.zug.ch/economy)

## 5 Corporate Taxation

### 5.1 Principles of taxation

#### Varying taxation

The Swiss tax system is characterized by various levels of direct taxation: direct federal tax, cantonal and municipal taxes.

Furthermore, the tax legislations in the individual cantons are often very different from each other. The cantons were, in fact, required to adapt their tax legislations per 1.1.2001 to the federal tax-harmonization law. This harmonization law did not, however, aim to make every canton adopt exactly the same tax legislation. Important decisions, such as the fixing of tax rates and tariffs, *continue to remain under the authority of the cantons.*

The Canton of Zug has, with the revised tax law, further improved what were already attractive conditions for legal entities and has strengthened its position as the canton with one of the lowest tax costs. Companies active in the canton of Zug will continue to be able to enjoy the *attractive location benefits.*

One decisive advantage of Zug as a business location is, however, not only the low rates of taxation but the *uncomplicated, unbureaucratic communication between the cantonal tax authorities and the tax-payers.*

### 5.2 Cantonal and federal taxes

#### Tax liability

In principle, private individuals and legal entities are liable to tax in the canton of Zug if their residential or business domicile is in Zug or they operate a branch here. An obligation to pay tax on assets and income in Zug can, under certain circumstances, also exist if the domicile of the individual or legal entity is outside Switzerland. Foreign people can, for example, be taxed at source for income which they earn professionally in Zug, such as directors' fees, remuneration for attending meetings, etc. In cases like this, it is advisable to consult the relevant double taxation treaty whose purpose is to avoid a double tax burden. Switzerland maintains treaties of this kind with most industrialized nations.

### 5.3 Income and capital tax

Direct federal tax, cantonal and municipal taxes are levied on the *income (profit)* of a corporation. The capital is subject only to cantonal and municipal taxes.

Depending on the activity of a corporation (an AG or a GmbH), the tax rates vary. There is a differentiation between the operating company, the holding company, the domicile company and the mixed company. The canton of Zug offers tax privileges to holding, domicile and mixed companies.

#### Ordinary tax rates for operating companies

Operating companies are enterprises which carry out a trading, manufacturing or service activity in the canton of Zug. They are subject to ordinary taxation.

Tax is payable on the taxable net profit and the paid up share or foundation capital as well as on disclosed and the taxed hidden reserves.

	Capital and reserves	Profit
Direct federal tax	0	8.5 %
Canton/Municipality simple tax <sup>[1]</sup>	0.5 ‰	4 % on profits up to CHF 100,000.- 6.75 % (as of 2011: 6.5 %) on profit in excess of CHF 100,000.-

<sup>[1]</sup> Based on the simple tax, the canton, the municipalities and the church denominations levy their multipliers (collectively between 148 % and 173 %).

## 5.4 Privileged taxation

In contrast to direct federal tax, which only provides limited privileges for holding companies, the tax legislation of the canton of Zug provides privileged taxation for certain corporations, depending on their activity.

### 5.4.1 Holding companies

The term “holding companies” is used for those companies whose purpose is the ongoing management of investments in other companies and which do not conduct any business activity in Switzerland. An additional requirement is that the investments held or the revenues earned from them must represent at least  $\frac{2}{3}$  rds of the entire assets and/or of the entire income. Holding companies are exempt from cantonal income tax and pay a reduced rate of capital tax. At federal level, and based on the income from significant investments in other companies, it is possible to claim a tax reduction (the so-called participation deduction).

	Capital and reserves	Profit
Direct federal tax <sup>[1]</sup>	0	8.5 %
Canton/Municipality <sup>[2]</sup>	0.02 ‰	0

<sup>[1]</sup> The Confederation does not offer a holding privilege as such. It does, however, provide a participation deduction.

<sup>[2]</sup> Based on the simple tax, the canton, the municipalities and the church denominations levy their multipliers (collectively between 148 % and 173 %).

### 5.4.2 Investment companies

In the same way as for the participation deduction at federal level, a tax reduction is granted at cantonal level for significant investments in other companies.

### 5.4.3 Management companies

A management company is a domicile or mixed company. Domicile companies are characterised by the fact that they simply have their business address in the Canton of Zug but do not conduct any actual business activity in Switzerland. In particular, they have neither staff nor offices of their own.

Mixed companies are those whose business activity is primarily related to business abroad, whereas any business activity in Switzerland itself is of a secondary nature.

For management companies, revenues from Swiss sources are fully taxed, whereas income from foreign sources are proportionately taxed, depending on the extent of the activity.

Income from investments in other companies is tax-exempt.

### 5.4.4 Mixed companies

#### Background

Mixed companies are corporations or branch operations of foreign companies whose business activity is primarily related to business abroad, whereas any business activity in Switzerland itself is of a secondary nature.

#### Presumptions

This régime is applicable to corporations, limited partnerships, limited liability companies, cooperatives and branches of foreign companies.

#### Basic conditions

The business activity must be performed predominantly outside of Switzerland, i.e. at least 80% of both sales and purchases must take place outside of Switzerland (the bi-dimensional principle). Mixed companies are not allowed to be involved in their own production or distribution activities in Switzerland.

#### Tax basis

a) Income tax

The taxable net profit of a mixed company is assessed in accordance with divisional calculation.

*Taxable at the ordinary rate are:*

- Investment income (interest, dividends and capital gains) from domestic sources
- Income from intangible rights (licences and trademarks) in Switzerland (up to 20%)
- Trading income from Switzerland (up to 20%)
- Double Taxation Treaty protected income (interest and royalties) where it is a condition that they are taxable in Switzerland
- Income from real estate in Switzerland  
(including a hypothetical rental value of the property)

In general costs incurred in relation to specific assets will be allocated to them or, where that is not possible, proportionally whereby a lump sum consisting of management costs and taxes may be allocated as a deduction.

Income derived from outside Switzerland will be taxed on a scale calculated in accordance with the number of fulltime employees of the group in Switzerland:

up to 5 employees	10 %
6 to 10 employees	15 %
11 to 30 employees	20 %
over 30 employees	25 %

If a company is Swiss-controlled, the taxable quota is increased by 10 percentage points up to a maximum taxable quota of 25%. The total profit is the criteria for the determination of the rate of tax.

*Tax free* are net proceeds out of specific participations in accordance with Section 67 of the tax law (dividends and capital gains) after deduction of the capital losses (depreciation and provisions). Net losses from participations cannot be offset against either domestic and/or foreign source income.

#### **Tax Rate**

Income tax rates amount to:

- for the first CHF 100,000.- 4 %
- for the income exceeding CHF 100,000.- 6.75 % (as of 2011: 6.5 %)

This tax amount is then multiplied by the applicable cantonal and communal multiplier resulting in the total income tax liability.

#### b) Capital Tax

Taxable basis is the equity of the company. The capital tax equals 0.01% of the taxable equity with a minimum of CHF 250.-, multiplied by the current cantonal and communal multiplier (Section 75, Paragraph 1 of the tax law).

The equity consists of paid in equity (share capital, original stock or capital), participation capital, declared and hidden reserves created from taxed profits as well as retained earnings. At the minimum, the paid in equity, including the paid in participation capital, is taxable (Section 72 of the tax law). The shareholders' funds are calculated at the end of the relevant tax period (Section 78 of the tax law).

#### **5.4.5 Principal companies**

Principal companies process trading transactions with foreign subsidiaries and sister companies on a commission basis and also allocate manufacturing orders to such foreign companies.

For this kind of business activity, principal companies can claim a deduction at the level of direct federal tax for business conducted outside Switzerland.

## **5.5 Withholding tax**

#### **Withholding tax on distributions of profit**

The distribution of a corporation's profits, e.g. in the form of dividends or other kinds of distribution, is subject to the Swiss Confederation's withholding tax. This tax is levied at source and is currently at a rate of 35%. A refund of this tax depends on whether the double taxation treaty between Switzerland and the country of residence of the recipient provides for a refund.

#### **Dividend distributions within groups of companies**

In a relationship between a Swiss parent and a Swiss subsidiary, the company which is paying out a cash dividend can choose between delivering up the (withholding) tax or applying the notification procedure. The Federal Council decreed, as per 1 January 2001, the relevant change to the Implementation Ordinance with regard to the Federal Law on Withholding Tax.

## 5.6 Value-added tax

### Value-added tax on gross sales

Within the framework of business activity, it is important to note that supplies of goods and services within the territory of Switzerland give rise to value-added tax (VAT) which is levied on gross sales. Liability for VAT begins as soon as domestic gross sales reach a level of CHF 75,000.– per annum. The normal rate is 7.6%, which is low in an international comparison (the normal rate in the EU is between 15% and 25%). For certain goods and services, the rate is 2.4%, (e.g. for newspapers, medicines, food and drinks, etc.). Turnover derived from the supply of goods and services to customers abroad is exempted from VAT.

## 5.7 Double taxation treaties (DTT)

In order to avoid a duplication of taxes, Switzerland has signed double taxation treaties with most industrial nations such as Germany, the USA, etc.

DTTs cover, in particular, the following aspects of tax:

- Exemption of profits from branches in the partner-nation
- Reclaiming of source taxes
- Taxation of royalties and licence fees

(More information under [www.estv.admin.ch](http://www.estv.admin.ch))

## 5.8 Tax relief for companies

The granting of tax relief was foreseen in the Federal Tax Harmonisation Law and has been included in the tax law of the Canton of Zug. The formulation of the article in the law does, however, tend to indicate a restrictive method of implementation. Apart from the foundation of new companies, a significant change in the existing operational activity can also qualify for tax relief. Decisions with regard to tax relief are made by the government of the Canton of Zug, based on requests from the Economic and/or Finance Departments. Tax relief applies to cantonal and municipal taxes.

## 6.1 Employment law/employment relationships

<b>Liberal regulations</b>	Switzerland's employment law is considerably more liberal than that of most of its European neighbours. There are comparatively few compelling regulations with regard to the content, and particularly the termination, of employment relationships.
<b>Inventions</b>	Furthermore, Swiss employment law is considerably more sympathetic to employers with regard to employee inventions and the development of commercial designs and models.
<b>Work motivation</b>	Nowhere else in the world are less working days lost because of industrial disputes than in Switzerland. Most Swiss employees are not members of a trade union.
<b>Education and training</b>	Switzerland not only has an exceptionally well-structured education system but also four national languages, which means that employees here have an above-average knowledge of more than one language. In addition, there are numerous further education institutions which provide employees with specialist training, e.g. the Institute for Financial Services ("IFZ"; <a href="http://www.ifz.ch">www.ifz.ch</a> ) in Zug, which provides higher education, partly in English, in the fields of trade and finance. Colleges of higher education and universities, as well as polytechnic colleges, are all located in or very close to Zug ( <a href="http://www.unizh.ch">www.unizh.ch</a> , <a href="http://www.ethz.ch">www.ethz.ch</a> , <a href="http://www.fhz.ch">www.fhz.ch</a> ).
<b>Foreign languages</b>	For foreigners working here, it is particularly important that for themselves and/or their children, the canton of Zug offers a large selection of private schools, which provide special curricula for people who speak a foreign language. A list of these schools can be obtained from the Department of Economic Affairs ( <a href="http://www.zug.ch/economy">www.zug.ch/economy</a> ).

## 6.2 Social insurance law

### 6.2.1 Social insurances

**AHVG, IVG and BVG** Social security in Switzerland is based on a 3-pillar principle covering old age, death and invalidity. The basic state insurance (1st pillar) is supplemented by the obligatory staff welfare fund (2nd pillar), and customized to individual needs by tax-privileged individual pension savings (3rd pillar).

<b>Insurance coverage</b>		<b>Known as Premiums paid by</b>
<b>1st pillar: existence assurance:</b> minimal assurance of financial existence in old age and in cases of invalidity	AHV/IV	9.8% of salary paid half each by employer and employee. <sup>[1]</sup>
<b>2nd pillar: staff welfare:</b> Continuation after retirement of accustomed standard of living.	BVG	Equal contributions by employer and employee.
<b>3rd pillar: voluntary, individual supplementary retirement savings</b>		Payable by the employee.

<sup>[1]</sup> The employer deducts the employee's contribution (4.9%) from his or her salary.

**Compulsory  
Social Contributions**

An international survey shows the differences between compulsory employer's and employee's contributions as a percentage of a US\$ 100,000 annual gross income in various countries.

Country	Employer	Employee	Total
United States	7.50 %	7.50 %	15.00 %
<b>Switzerland</b>	<b>12.75 %</b>	<b>10.55 %</b>	<b>23.30 %</b>
Austria	21.90 %	18.00 %	39.90 %
Germany	19.55 %	19.55 %	39.10 %
Italy	40.33 %	9.19 %	49.52 %
France	41.80 %	20.90 %	62.70 %

Source: Corporate Consulting & Technology (CCT SA) Zurich, December 2008 ([www.cc-t.com](http://www.cc-t.com))

This shows that employers and employees in Switzerland pay significantly less in social security costs than their counterparts in our neighbouring countries.

**International treaties**

Basically, every person who pursues an occupation for gain in Switzerland must be insured. With conclusion of the freedom of movement treaty between the EU and Switzerland, the social security systems of those states were co-ordinated. The mandatory insurance coverage is linked to the place at which the person works. The same applies for the EFTA. For those people who are not subject to the freedom of movement treaty, the social security treaties which Switzerland has concluded with a few European nations and the USA continue to apply.

**EO and AVIG**

In addition, the employer must deduct further premiums from salaries for the defence duty compensation fund (EO) and unemployment insurance (AVIG).

**Accident insurance**

The employer is obliged to insure the employee for accidents and illness incurred at work. Insurance premiums for accidents outside work are paid by the employee. For industrial accidents the employer pays the insurance fees.

**Sickness insurance**

In addition, everyone who lives in Switzerland must take out insurance from a Swiss sickness insurance institution for care in the case of sickness (as an in- or outpatient) within three months of entering the country. If the stay is for less than 3 months, the insurance obligation does not apply. In relations between the EU/ EFTA and Switzerland, working people are obliged to take out sickness insurance in the country in which they work. It should be noted that in Switzerland, family members who do not work are not automatically included in insurance coverage. For all other employees, the insurance obligation might not apply if the mandatory foreign insurance protection is comparable with the Swiss sickness insurance.

### 6.2.2 Costs for the employer

#### Employer contributions

As a rule, the employer must register for the following mandatory social insurances. The employer's premium contributions are, on average, the following percentages of the underlying salary:

Old age and surviving dependents insurance law (AHVG)	4.20 %
Invalidity insurance (IV)	0.70 %
Defence duty compensation (EO)	0.15 %
Unemployment insurance (AVIG)	1.00 %
Family allowances	1.60 %
Accident insurance (average rate)	2.00 %
Staff welfare fund (BVG) (average rate)	6.00 %
Total	15.65 %

For his or her part, the employee additionally also pays a part of some of these insurance premiums. The point of contact for the various insurance institutions is usually the employer.

### 6.2.3 Advice from the Compensation Office Zug

#### Advice

The Compensation Office Zug is a public, non-profit-making organization which is legally structured as an independent social insurance institution. A corporation can arrange for a free advisory discussion and/or ask for detailed written information.

#### Further information

##### Ausgleichskasse Zug

Baarerstrasse 11

Postfach 4032

6304 Zug

Telephone +41 41 728 32 30

Fax +41 41 728 24 28

E-Mail [info@akzug.ch](mailto:info@akzug.ch)

Internet [www.ausgleichskasse.ch/zg](http://www.ausgleichskasse.ch/zg)

## 6.3 Intellectual property

As a traditional "land of inventions", Switzerland offers extensive national and international protection in terms of business law. It has therefore become a party to all significant international treaties for the protection of intellectual property. On a national level, the Federal Department for Intellectual Property ([www.ige.ch](http://www.ige.ch)) has been privatized and modernized.

#### Domain names

The registration of domain names with the country-code ".ch" and ".li" is handled by the Switch foundation ([www.switch.ch](http://www.switch.ch)). Disputes regarding top-level domain names such as ".com" or ".net" are settled by, among others, the arbitration court of the WIPO in Geneva ([www.wipo.org](http://www.wipo.org)).

## 6.4 Quality assurance

### Combating the illegal laundering of money

<b>Quality assurance in financial services</b>	Since 1 April 1998, the Federal Law for the Combating of Money Laundering in the Financial Sector (Money laundering law, MLL) has been in force in Switzerland. It prescribes new rules of care and diligence for so-called <i>financial intermediaries</i> active in the provision of financial services. Apart from banks, life insurance companies, securities traders, gambling houses and individual fund managements, other parties (private individuals as well as corporate entities) can also qualify as financial intermediaries to the extent that they professionally accept <i>third party assets</i> and keep them in safe custody or assist in investing or transferring them.
<b>Consequences for financial intermediaries</b>	The objective of the MLL is the monitoring of <i>professionally</i> active financial intermediaries by means of <i>self-regulatory organisations</i> (SRO) under civil law, whereby, the possibility remains that the Federal Control Authority can directly assume the supervisory function. Since 1 <sup>st</sup> April 2000, all financial intermediaries must be members of a recognised SRO (Self-Regulatory Organisation) or be in possession of a permit from the Federal Treasury in order to carry out their activities.
<b>Implementation by SROs</b>	Within the framework of the MLL, the SRO defines how the financial intermediaries who are its members are to fulfil their obligations in terms of <i>verification, information, documentation and reporting</i> and how the fulfilment of these obligations will be controlled.
<b>SRO-AQAF Services, in particular training and advice</b>	In September 1998, the main professional associations in Zug formed the <i>Association for Quality Assurance in Financial Services (AQAF/VQF; www.sro-vqf.ch)</i> with the objective of creating an SRO that would cover all relevant industries and would be both efficient and service-oriented. Financial intermediaries who are members of the AQAF can obtain additional services which go beyond the requirements of the MLL: a central point of contact for information, training and consulting, draft forms and checklists and a central office for documentation. The SRO-AQAF was already officially recognised by the Federal Control Authority in 1999 and is one of the largest SROs in Switzerland. “ <i>The AQAF</i> ” is an instrument for quality assurance in financial services which not only serves the needs of financial intermediaries in terms of their MLL obligations, but is also available to every private individual or corporate entity that feels a need for protection against the dangers of white-collar crime.
<b>Further information about membership applications and services</b>	<b>Verein für Qualitätssicherung im Bereich der Finanzdienstleistungen VQF</b> (Association for Quality Assurance in Financial Services/AQAF) Baarerstrasse 112 Postfach 6302 Zug Telephone +41 41 763 28 20 Fax +41 41 763 28 23 E-Mail info@vqf.ch Internet www.vqf.ch

## 6.5 Legal protection

Both cantonally and on a federal level, Switzerland provides an extensive system of legal protection. International treaties with various nations guarantee that court verdicts reached in Switzerland are subject to simplified enforcement.

A peculiarity of the Swiss legal protection system is the enforcement procedure used exclusively for *money* claims (the so-called debt-collection and bankruptcy procedure), which enables the fast and efficient settlement of claims for money and which is, in principle, creditor-friendly.

## 6.6 Mobility/Infrastructure

The Canton of Zug is well connected by means of a dense road, rail and bus network. Since December 2004 the Canton of Zug has had its own modern city railway ([www.stadtbahnzug.ch](http://www.stadtbahnzug.ch)). The airport in Zurich-Kloten ([www.flughafen-zuerich.ch](http://www.flughafen-zuerich.ch)) can also be reached in a very short period of time. Information on timetables for the railways and airlines is available under [www.sbb.ch](http://www.sbb.ch) and [www.swiss.com](http://www.swiss.com).

The telecommunication system in the Canton of Zug is state-of-the-art. ISDN connections and mobile communication are available everywhere. Internet connections are also provided via the TV cable ([www.datazug.ch](http://www.datazug.ch)). Glass-fibre cables have been installed throughout the entire canton and enable fast transmission rates (Internet, leased lines).

<b>Aktiengesellschaft</b>	<b>4</b>
Branch	4
Governing bodies	5
Participation certificates	5
Share capital	5
<b>Accounting</b>	
<i>(see management)</i>	
<b>Care and diligence obligations</b>	
<i>(see quality assurance)</i>	
<b>Company name</b>	<b>6</b>
<b>Corporate domicile</b>	<b>7</b>
<b>Corporate taxation</b>	<b>18</b>
Harmonization	18
Holding companies	19
Income tax	20
Investment companies	19
Management companies (domicile companies)	20
Operating companies	18
Principal companies	21
Stamp duty	8
Tax relief for companies	22
Value-added tax	22
Withholding tax	21
<b>Domicile companies</b>	
<i>(see corporate taxation)</i>	
<b>Double taxation treaties (DTT)</b>	<b>22</b>
<b>Employment law</b>	<b>23</b>
<b>Foundation procedure</b>	<b>8</b>
Commercial register	8
Foundation costs	8
Inscription procedure	8
Time required	9
<b>Gesellschaft mit beschränkter Haftung (GmbH)</b>	<b>7</b>
<b>Holding companies</b>	
<i>(see corporate taxation)</i>	

<b>Legal protection</b>	<b>27</b>
<b>Management</b>	<b>10</b>
Accounting	10
Consolidated financial statements	10
Management regulations	10
Operating costs	11
<b>Mixed companies</b>	<b>20</b>
<b>Mobility</b>	<b>27</b>
<b>Operating companies</b> <i>(see corporate taxation)</i>	
<b>Permanent residence</b> <i>(see work and residence permit)</i>	
<b>Participation certificates</b> <i>(see Aktiengesellschaft)</i>	
<b>Quality assurance</b>	<b>26</b>
<b>Registration</b>	<b>13</b>
<b>Real estate</b>	<b>17</b>
Purchase by non-Swiss citizens	17
<b>Social insurance law</b>	<b>23</b>
Accident insurance	24
Advice	25
Costs for the employer	25
International treaties	24
Sickness insurance	24
<b>Taxation</b> <i>(see corporate taxation)</i>	
<b>Residence and work permit</b>	<b>12</b>
Agreement on the free movement of persons with EU/EFTA states	12
Residence and work permits EU-15/EFTA states	13
Residence and work permits EU-8 states	14
Residence and work permits non-EU/EFTA states	15
Permanent residence permit EU-15/EFTA states	14
Permanent residence permit EU-8 states	15
Permanent residence permit non-EU/EFTA states	16

## Index of abbreviations

<b>AG</b>	Aktiengesellschaft (joint-stock company, limited by shares)
<b>AHVG</b>	Old age and surviving dependents' insurance law
<b>AQAF</b>	Association for Quality Assurance in Financial Services
<b>AVIG</b>	Unemployment insurance law
<b>BVG</b>	Staff welfare fund law
<b>DTT</b>	Double taxation treaty
<b>EED</b>	Economics and Employment Department
<b>EFTA</b>	European Free-Trade Association
<b>EO</b>	Defence Duty Compensation Ordinance
<b>EU</b>	European Union
<b>GmbH</b>	Gesellschaft mit beschränkter Haftung (limited liability company)
<b>IFZ</b>	Institute for financial services, Zug
<b>IVG</b>	Invalidity insurance law
<b>MLL</b>	Money laundering law
<b>SECO</b>	State Secretariat for Economic Affairs
<b>SMEs</b>	Small and Medium-Sized Enterprises
<b>SRO</b>	Self-regulatory organisation
<b>VAT</b>	Value-added tax
<b>VSB</b>	Agreement on observance of care in accepting funds
<b>WIPO</b>	World Intellectual Property Organization
<b>ZTV</b>	Fiduciary Association of Zug



## zug : business connects

### **Economic Promotion Office Canton Zug**

Our services address you directly as an entrepreneur. We are your partner, and we promote Canton Zug as a business location.

We are in close contact with the local enterprises, advise and support companies looking to establish a business in Canton Zug and assist start-ups.

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